



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

May 21, 2009

Ms. Frances Harder, President
Fashion Business, Inc.
110 East 9th Street, Suite C-786
Los Angeles, CA 90079

Dear Ms. Harder:

RE: FINAL MONITORING VISIT REPORT for Fashion Business, Inc. (FBI) – ET07-0269

Date of the Visit:	05/13/09
Beginning/Ending Time:	9:00 a.m. – 12:00 p.m.
Date of Last Visit:	07/15/08
Visit Location:	Los Angeles
Persons in attendance:	Frances Harder, President, FBI Stephen Contreras, Principle Investigator, Community Research & Assoc. Elsa Wadzinski, Project Analyst, Employment Training Panel
Action Required:	No

Term of Agreement:	02/06/07 – 02/05/09	Agreement Amount:	\$198,804
Training Start Date:	02/09/07	No. to Retain:	114
Date Training must be Completed:	11/04/08	Range of Hours:	(Job 1) 24-160 (Job 2) 8 – 60
Type of Trainee:	Retrainee	Weighted Average:	76

SUMMARY OF ACTION REQUIRED FROM THIS VISIT:

None

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (05/16/2007)

FINAL REPORT SUMMARY:

The Agreement was executed on February 28, 2007 and training began on November 28, 2007. Your project staff reported that all ETP training was completed on February 3, 2009, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – June 29, 2009.

ETP approved an Amendment, on July 25, 2008, to revise the term of the Agreement from February 6, 2007 through February 5, 2009 to June 30, 2007 through June 29, 2009, to allow more time to train.

According to project staff, of the 114 trainees specified on Chart 1, Exhibit A of the Agreement, 45 (39%) trainees have completed the minimum number of training hours required (24 hours) for reimbursement and are expected to complete the 90-day retention period. The total hours provided to trainees who met the required minimum are 1,780, in Job 1, and no training was provided in Job 2. At a reimbursement rate of \$18 per hour, FBI will earn an estimated \$34,265 (17%) of the total ETP Agreement amount, assuming all other Agreement requirements are met. Since you have been paid \$20,501.25 to date, you will receive an additional \$9,143.75 in funding if the anticipated number to retain is verified during the final fiscal closeout. The Analyst commented that \$4,620 of funding received to date is earned.

You commented that, although it did not complete 100 percent of the training, FBI was able to provide 45 trainees of participating employers with quality training in Computer Skills training. One participating employer stated that this training saved employees jobs, as the industry is moving to computerized design and pattern making, the employees needed to upgrade their skill sets to include this knowledge, which FBI was able to provide. Another participating employer commented that the software training has helped their company cut design time down considerably.

In discussing what barriers you experienced in implementing your ETP program, project staff stated that the main barrier was the unforeseen downturn in the economy. Many participating employers stated that they were not able to go forward with training plans originally submitted due to the need to work leaner, and the inability to release trainees from work to attend classes. Further, it is difficult to keep to a specific training schedule due to this industry's design. The apparel industry is reactionary; and when orders, or reorders are placed, production must take priority. Another obstacle was marketing the ETP program to employers. You indicated that it was difficult getting through to many of the participating employer's company representative's, but you are working with different associations in the apparel industry to overcome this obstacle.

Project staff reported that ETP's websites are user-friendly, and they were easy to learn and enter data, but they would like to see one system versus two, as it can become confusing with different web addresses and passwords. You further commented that ETP staff provided good support throughout the Agreement. In closing, you indicated that FBI is interested in returning to ETP for another contract and has already submitted a pre-application via the ETP website.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number of Trainees to Retain	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training	Number of Trainees Completed Retention
1	84	47	0	45	45	45
2	30	0	0	0	0	0
Total	114	47	0	45	45	45

The project status reported by project staff agreed with the Contract Status report that 47 trainees were enrolled under this ETP Agreement.

ATTENDANCE ROSTERS:

The Analyst reviewed attendance rosters for 26 trainees who completed training in the period of November 28, 2007 through February 3, 2009. The rosters reviewed were completed correctly and met ETP requirements; the Agreement curriculum was provided as specified; and you are in compliance with the ratio of one trainer to 20 retrainees specified in the Agreement Training Plan.

You were advised that these findings are based only on the training records reviewed during this Visit and represent only a sample of the training records completed to date. Further that it is your responsibility to ensure that all training records are in compliance with Panel requirements for auditing purposes. [Reference: Title 22 California Code of Regulations, Section 4442)]

AUDIT:

FBI will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Elsa Wadzinski at (818) 755-3634 or by email at ewadzinski@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood, Regional Office

Signature on file

Elsa Wadzinski, Contract Analyst
North Hollywood, Regional Office

cc: Darlene Galvan, Administrative Assistant (via E-mail)
Fashion Business Institute

David Guzman, Chief, Audits & Program Operations Division
Kulbir Mayall, Fiscal Manager
Master File
Project File

Date report mailed to Contractor 6/4/09